



TASMANIA

ANNUAL REPORT 2022-23

Director of Public Prosecutions



OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

INQUIRIES: Mr D G Coates SC
OUR REF: 31087
YOUR REF:

26 September 2023

The Hon Elise Archer MP
Attorney-General
Level 10 15 Murray Street
HOBART TAS 7000

Dear Attorney

ANNUAL REPORT 2022-23

I am pleased to provide you with a copy of my Annual Report for the year ended 30 June 2023.

The report has been prepared pursuant to section 15 of the *Director of Public Prosecutions Act 1973* for laying before both Houses of Parliament.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'D G Coates'.

D G Coates SC
DIRECTOR OF PUBLIC PROSECUTIONS

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Overview

This report is prepared for submission to the Attorney-General in accordance with the requirements of section 15 of the *Director of Public Prosecutions Act 1973* to report on the performance of my functions during the 12 months ending on 30 June each year.

During the reporting year, staff in the Office have undertaken the prosecution of all criminal trials, pleas of guilty, breaches of suspended sentences or conditional discharges, bail applications and lower court appeals in the Supreme Court, the conduct of appeals in the Court of Criminal Appeal, the Full Court and the High Court. The Office has also provided representation and advice to agencies and departments involved in prosecutions and proceedings in Courts of Petty Sessions and tribunals and representation, where appropriate, for officers of courts and tribunals and other decision-makers whose decisions or actions become the subject of applications for review.

The Office represents the Secretary of the Department of Health and Human Services in proceedings under the *Children Young Persons and Their Families Act 1997* (often referred to as child safety proceedings). The Office has also provided counsel to assist the Coroner and the Criminal Asset Recovery Unit continues to operate. The Office makes applications when required under the *Dangerous Criminal and High Risk Offenders Act 2021*. The Office also contributes to the policy bodies in respect to the development of the criminal law.

This year marks 50 years since the commencement of the *Crown Advocates Act 1973*. The name was changed in 1986 to the *Director of Public Prosecutions Act*. Tasmania was the first Australian jurisdiction to have an independent prosecution service. Since then all Australian jurisdictions have created an independent Director of Public Prosecution service. The purpose of creating such a position is to ensure that prosecution decisions are made free of Government and other sectional interests. As Kirby J (as he was then) said in *Price v Lewis* (1994) 34 NSWLR 704 at 707-8:

“the object of having a Director of Public Prosecutions is to ensure a high degree of independence in the vital task of making prosecution decisions and exercising prosecution discretions. The purpose of so acting is to ensure that there is manifest independence in the conduct of the prosecution. It is to avoid the suspicion that important prosecutorial discretions will be exercised otherwise than on neutral grounds. It is to avoid the suspicion, and to answer the occasional allegation, that the prosecution may not be conducted with appropriate vigour. It was to ensure that in certain cases manifest integrity and neutrality were brought to bear upon the prosecutorial decisions that the Act was passed by Parliament affording large and important powers to the DPP who, by the Act, was given a very high measure of independence.”

Guidelines under the *Director of Public Prosecutions Act 1973* have been made to ensure all people are treated with consistency and fairly without personal biases. By the very nature of the decisions that are being made, people will inevitably be disappointed. However, all decisions are based on

legal principles. In particular in respect of a prosecution, whether there is a reasonable prospect of a conviction and whether it is in the public interest to prosecute. Similar guidelines apply in all jurisdictions.

The *Justice Miscellaneous (Court Backlog and Related Matters) Act 2020* saw a significant number of less serious matters stay in the Magistrate jurisdiction. Despite this, in the past 12 months, the number of committals have increased by approximately 20 per cent. For example, Table 5 shows that sexual assault and personal violence cases have increased significantly. Given the change in jurisdiction, meaning less serious matters are not committed to the Supreme Court, this represents a substantial increase in workload. The Office was able to dispose of significantly more matters than the previous year, despite three trials in Launceston taking a considerable portion of the year. This was assisted by the Chief Justice allocating extra judicial time in Launceston. Having said that, the backlog has remained about the same and can only be addressed by a sizeable increase in resources.

Another significant problem is the shortage of defence counsel which has become acute in recent years. This has led to delays and will continue to do so unless there is significant encouragement for people to enter this work.

Staffing

I thank all staff for their work during the year. The workload and the complexity of the work continues to increase. However, as I stated last year, the Office only has a few senior people and there is the need to increase the number of staff capable of conducting senior prosecutions.

Throughout the year the Office has endeavoured to assist in the training of our staff. The Office conducted two day in-house training sessions and regular seminars aimed at junior practitioners. A number of counsel also attended the Australian National Prosecutors Conference. It is hoped that in the early part of next year the Australian Advocacy Institute will conduct a workshop to assist our practitioners.

Mr Simon Nicholson who was a Senior Prosecutor in the Summary section for the past 15 years left during the reporting period to take up the position of the Work Health and Safety Prosecutor for Queensland. Simon, during his time in the Office, conducted many complex summary prosecutions, particularly in the area of Work Health and Safety and Animal Welfare. He also had considerable experience in conducting appeals. Simon during his time in the Office was a mentor to younger practitioners. He had an enormous positive influence on the Office. I wish him well in the important position he has been appointed to.

Ms Catherine Hales who has been the personal assistant to the Director for the past 23 years recently retired. Ms Hales also made a significant contribution to the Office.

Crime (Confiscation of Profits) Act 1993

Table 1 shows that the court made orders under the Act totalling \$643,582 for this reporting year. Over the past seven years orders have been made under the Act totalling \$6,604,747. The amounts can vary considerably from one year to the next as the matters are lengthy and it is unpredictable when matters will be finalised.

Criminal prosecutions

A total of 515 criminal prosecutions were finalised during the reporting year. The number of persons discharged was 194. The discharge figure includes not only those matters that are fully discontinued but also those where charges are remitted to the Magistrates Court and where alternative summary charges are pursued. It also includes where defendants have died. The number of new committals increased significantly from 446 to 545. The matters pending or active increased by one at 674. Although it is pleasing that the pending list did not increase more, it will continue to take substantial effort and provision of resources to the criminal justice sector, including both prosecution and defence, to reduce it.

The sexual assault and family violence unit is a unit within the criminal section of the Office which provides advice to Tasmania Police in respect to possible charges and conducts the majority of sexual assault trials and pre-recordings both in the Magistrates and Supreme Courts. It covers both Hobart and Burnie but not Launceston. The unit received 171 advice files and notifications about sexual assault matters, from Tasmania Police, which confirmed the trend of an increasing number of advice files. In addition, the unit received 61 family violence advice files. As I have said previously, the provision of early advice by the Office to Tasmania Police was one of the recommendations made by the Royal Commission into Institutional Responses to Child Sexual Abuse, allowing certainty for complainants. As was recognised by the recent findings of the Tasmanian Commission of Inquiry into the Tasmanian Government's Responses to Child Sexual Abuse in Institutional Settings, the Office continues to struggle to provide these advices in a timely manner due to the number of advices and the significant trial work conducted by the unit. The delay in advices adds to the stress of complainants. I note the Commission of Inquiry in its report recognised the benefits of having a specialised sexual assault unit and stated the Government should consider increasing funding to the unit in order to decrease the waiting time for the Office to complete the advice files and to extend the unit to the Launceston region.

Bail applications increased from 347 to 367 during the reporting period.

Additionally, staff in the criminal section received 81 general criminal advice files from Tasmania Police and a further 11 advice files were received from Tasmania Police Professional Standards regarding complaints against police officers. All files were of a high standard and very well investigated. When assessing a file to provide advice Crown counsel must consider the available and admissible evidence to determine whether there is a reasonable prospect

of conviction and whether it is in the public interest to proceed with the prosecution. This takes considerable time and involves much the same time as recommending whether to indict or discharge a person. Advice not to charge (with an indictable charge) will ultimately not be reflected in the overall number of matters that are committed.

Appeals

During the course of the reporting year, counsel from the Office appeared in 12 appeals from a single judge to the Court of Criminal Appeal, including three Director's appeals against sentence. There were two full court appeals. There were 19 lower court appeals from a magistrate to the Supreme Court. In the High Court, there was one application for special leave to appeal which was refused.

Summary prosecutions

The summary prosecutions section dealt with 161 prosecutions and advice files. The section conducts a wide range of prosecutions, including Worksafe and Consumer Building Occupational Services, animal welfare, forestry, fisheries and environmental prosecutions, together with other complex summary matters, including sexual assault and serious driving matters. This ensures serious summary, criminal and regulatory matters are prosecuted by counsel in my Office. This is important because these prosecutions are often legally and factually complex and defendants are well-resourced companies who often employ Senior Counsel.

The section also conducted a number of training days for officers from the departments involved in investigations, as well as providing the departments with ongoing advice.

Further, a number of service level agreements were finalised between this Office and various departments whose prosecutions are concluded.

Witness Assistance Service

The Witness Assistance Service ("WAS") is an integral part of the criminal prosecution section of the Office, with three witness assistance officers in Hobart, two in Launceston and one in Burnie, providing a State-wide service.

The WAS offers the following services to witnesses of serious crime:

- preparation for their court appearance, including court tours and demonstration of special witness facilities
- plain English explanations of rules of evidence, court processes and terminology
- information about progress with a case and when the witness will be required in court

- accompanying witnesses to court, in court, or when giving evidence by video link
- liaison with police and prosecutors on witness protection measures
- information about the availability of restitution and compensation orders against an offender
- referrals for specialist counselling or treatment
- assistance with victim impact statements
- organising interpreters and other aids to communication
- post-trial debriefing and support
- community training and education.

The WAS continues to provide a very high level of support to vulnerable witnesses, assisting 1,908 witnesses this year in 1,092 matters. In addition, the service assisted in the preparation of 368 victim impact statements. Table 10 indicates there has been a significant increase in the work output of the service over the past four years.

In addition to matters conducted by my Office, WAS officers have also assisted Tasmania Police Prosecution Services with serious matters and assisted vulnerable persons involved in coronial inquests.

Child Safety Legal Group

The Child Safety Legal Group has had another busy year with 110 files being opened and 103 matters finalised.

Coroners Act 1995

Under section 53(3) of the *Coroners Act 1995* the Director of Public Prosecutions, where requested, may provide counsel to assist the Coroner in an inquest. During the reporting period, the Office provided counsel for 15 inquests, a number of which were complex and went for an extended period of time. Currently the Office has counsel assisting in 34 separate inquest files. In addition, for some inquests, the Office has provided witness assistance officers to assist families with the process.

Policy work

During this reporting period the Office has provided written submissions regarding a number of Bills and participated on a number of working groups and steering committees involving legal reform. The Office has also made submissions to a number of law reform bodies. In particular, considerable time and resources have gone into the preparation of submissions and responding

to notices from the Commission of Inquiry into Tasmanian Government Responses to Child Sexual Abuse in Institutional Settings. I would like to thank Crown Counsel Jessica Wade who had primary responsibility for dealing with the Office's response to the Commission.

Other matters

I would like to thank the senior staff, Linda Mason SC (Deputy Director), Madeleine Wilson SC (Assistant Director) and Principal Crown Counsel, John Ransom, Cameron Lee, Simon Nicholson, Jack Shapiro, Heather Denton, Rebecca Lancaster, Luke Brett and Letitia Fox for their work, leadership and advice during the year.

I would also like to thank the entire staff for their dedication and hard work.



D G Coates SC
DIRECTOR OF PUBLIC PROSECUTIONS

26 September 2023

Statistical tables

Table 1: Orders made under the *Crime (Confiscation of Profits) Act 1993*

	2022-23 \$	2021-22 \$	2020-21 \$	2019-20 \$	2018-19 \$	2017-18 \$	2016-17 \$	Total \$
Pecuniary orders	124,887	99,855	7,835	76,240	233,200	153,900	69,990	803,397
Forfeiture orders	127,464	124,641	104,326	175,233	51,489	371,854	306,831	1,545,188
UEW declarations	391,751	1,040,434	733,489	10,570	17,294	637,435	602,500	4,256,673
Totals	643,582	1,264,930	845,650	262,043	301,983	1,163,198	979,321	6,604,747

Table 2: Committals to the Supreme Court

Year	Committals
2017-18	527
2018-19	651
2019-20	645
2020-21	551
2021-22	446
2022-23	544

Table 3: Persons presented in the Supreme Court

Year	Presented	Convicted	Acquitted	Found insane or unfit to plead	Discharged
2016-17	427	284	16	2	125
2017-18	485	313	26	1	145
2018-19	457	288	26	5	138
2019-20	594	363	26	2	203
2020-21	514	312	20	3	179
2021-22	465	293	18	2	152
2022-23	515	292	25	4	194

NB. Discharged matters include charges remitted to the Magistrates Court, abated proceedings related to deceased defendants, and where alternative summary charges have been laid.

Table 4: Defendants active as at 30 June

Area	2018-19	2019-20	2020-21	2021-22	2022-23
Hobart	287	335	301	314	326
Launceston	195	187	169	174	176
Burnie	145	169	222	200	172
Total	627	691	692	673	674

NB. Defendants active only includes matters that are ready for prosecution or where prosecution proceedings have commenced. It excludes matters subject to warrants.

Table 5: Crime (type) major groupings by persons convicted

Crime	2018-19 %	2019-20 %	2020-21 %	2021-22 %	2022-23 %
Dishonesty (aggravated/armed robbery, stealing, burglary, receiving, fraud, etc)	19	21	23	23	12
Personal violence (murder, manslaughter, assault, wounding, grievous bodily harm)	37	32	31	30	42
Arson and injury to property	6	7	6	6	3
Sex crimes (rape, unlawful sexual intercourse/ relationship, indecency)	15	12	13	12	19
Perjury and perverting the course of justice	3	6	5	3	3
Drugs	15	13	12	13	10
Other ungrouped (includes indictable fisheries crime, conspiracy, causing death by dangerous driving, escape and abduction)	5	9	10	13	11

Table 6: Disposal of criminal matters

Year	Persons presented	Pleas of guilty	Dealt with other than as plea ¹	Persons tried ²
2016-17	427	223	126	78
2017-18	485	240	145	100
2018-19	457	231	139	87
2019-20	594	316	205	73
2020-21	514	261	179	74
2021-22	465	249	152	64
2022-23	515	245	270	81

¹ Includes discharges, nolle prosequi, no bills

² Includes verdicts of guilty, acquittals, not guilty by reason of insanity and where a trial has concluded because the jury has been discharged without a verdict

Table 7: Persons tried (by result)

Year	Convictions	Acquittals	Found insane or unfit to plead	Retrials/ without verdict
2016-17	59	16	2	1
2017-18	72	26	1	1
2018-19	57	28	4	4
2019-20	45	26	2	0
2020-21	51	20	3	0
2021-22	44	18	2	0
2022-23	54	24	3	0

Table 8: Bail applications

Year	Applications
2016-17	304
2017-18	385
2018-19	414
2019-20	473
2020-21	482
2021-22	347
2022-23	367

Table 9: Bail applications for 2022-23 (by month)³

Month	Total apps	FV	Crown position		Outcome				
			Opposed	Not opposed	Granted	Refused	Withdrawn	ASD	No jurisdiction
Jul-22	17	4	9	8	13	3	1	0	0
Aug-22	33	10	26	7	16	10	3	1	1
Sep-22	36	10	28	8	17	11	4	1	1
Oct-22	19	9	17	2	9	9	1	0	0
Nov-22	21	2	14	4	9	8	2	0	0
Dec-22	16	8	14	1	7	8	1	0	0
Jan-23	33	11	23	23	11	12	5	3	3
Feb-23	21	5	9	0	14	5	0	1	1
Mar-23	53	17	33	0	26	19	4	1	1
Apr-23	36	9	29	0	17	16	1	1	1
May-23	42	11	23	0	21	10	5	5	5
Jun-23	40	12	30	0	21	13	1	0	0
TOTAL	367	108	255	53	181	124	28	21	13

Table 10: Witness assistance services provided

Year	No. of witnesses assisted	No. of matters	Victim impact statements prepared	Next of Kin support
2017-18	1657	810	255	Not reported
2018-19	1687	832	304	Not reported
2019-20	1807	947	324	Not reported
2020-21	1862	1062	339	Not reported
2021-22	1802	963	277	Not reported
2022-23	1908	1092	368	158

Table 11: Child safety matters

	2018-19	2019-20	2020-21	2021-22	2022-23
Files opened	146	98	95	82	110
Files closed	161	141	83	183	103

Financial statements

Statement by Head of Agency

The accompanying Financial Statements of the Office of the Director of Public Prosecutions are in agreement with the relevant accounts and records and have been prepared in compliance with Treasurer's Instructions issued under the provision of the *Financial Management Act 2016* to present fairly the financial transactions for the year ended 30 June 2023 and the financial position as at the end of the year.

At the date of signing, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



D G Coates SC

DIRECTOR OF PUBLIC PROSECUTIONS

18 September 2023

Statement of Comprehensive Income for the year ended 30 June 2023

	Notes	2023 Budget \$'000	2023 Actual \$'000	2022 Actual \$'000
Income from continuing operations				
Revenue from Government				
Appropriation revenue - recurrent	3.1	12 592	12 196	10 639
Grants	3.2	-	220	220
Sale of services	3.3	871	877	545
Contributions received	3.4	-	30	28
Total revenue from continuing operations		13 463	13 324	11 432
Other economic flows included in net result				
Net gain/(loss) on accounts receivable		-	73	(73)
		13 463	13 397	11 359
Expenses from continuing operations				
Employee benefits	4.1	11 506	10 712	8 905
Depreciation	4.2	34	54	94
Supplies and consumables	4.3	1 500	2 240	1 902
Finance costs	4.4	-	-	1
Other expenses	4.5	467	370	128
Total expenses from continuing operations		13 507	13 376	11 030
Net result		(44)	21	329
Comprehensive result		(44)	21	329

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Financial Position as at 30 June 2023

	Notes	2023 Budget \$'000	2023 Actual \$'000	2022 Actual \$'000
Assets				
<i>Financial assets</i>				
Cash and deposits	8.1	1 968	3 100	2 335
Receivables	5.1	102	21	3
<i>Non-financial assets</i>				
Leasehold improvements, plant and equipment	5.2	-	597	555
Right of-use-assets	5.3	348	-	2
Total assets		2 418	3 718	2 895
Liabilities				
Payables	6.1	24	72	36
Lease liabilities	6.2	41	-	3
Employee benefits	6.3	2 448	3 203	2 434
Total liabilities		2 513	3 275	2 473
Net assets (liabilities)		(95)	443	422
Equity				
Accumulated funds		(95)	443	422
Total equity		(95)	443	422

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Cash Flows for the year ended 30 June 2023

	Notes	2023 Budget \$'000	2023 Actual \$'000	2022 Actual \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities				
Cash inflows				
Appropriation receipts – recurrent		12 592	12 196	10 639
Grants		-	220	220
GST receipts		4	188	202
Sales of services		871	900	519
Total cash inflows		13 467	13 504	11 580
Cash outflows				
Employee benefits		(11 466)	(9 873)	(8 838)
GST payments		(4)	(229)	(151)
Finance costs	4.4	-	-	(1)
Supplies and consumables		(1 500)	(2 206)	(1 891)
Other cash payments		(467)	(364)	(128)
Total cash outflows		(13 437)	(12 672)	(11 008)
Net cash from/(used by) operating activities	8.2	30	832	572
Cash flows from investing activities				
Cash outflows				
Payments for acquisition of non-financial assets		-	(64)	(174)
Total cash outflows		-	(64)	(174)
Net cash from/(used by) investing activities		-	(64)	(174)
Cash flows from financing activities				
Repayment of lease liabilities (excluding interest)		(30)	(3)	(31)
Total cash outflows		(30)	(3)	(31)
Net cash from/(used by) financing activities		-	(3)	(31)
Net increase in cash held and cash equivalents		-	765	367
Cash and cash equivalents at the beginning of the reporting period		1 968	2 335	1 968
Cash and cash equivalents at the end of the reporting period	8.1	1 968	3 100	2 335

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Changes in Equity for the year ended 30 June 2023

	Accumulated surplus / deficit \$'000	Total equity \$'000
Balance as at 1 July 2022	422	422
Total comprehensive result	21	21
Total	21	21
Balance as at 30 June 2023	443	443

	Accumulated surplus / deficit \$'000	Total equity \$'000
Balance as at 1 July 2021	93	93
Total comprehensive result	329	329
Total	329	329
Balance as at 30 June 2022	422	422

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

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Note 1 Administered Financial Statements

The Office was provided with funding to contribute to the disruption of serious and organised crime through the enforcement of the *Crime (Confiscation of Profits) Act 1993* and *Crime (Confiscation of Profits) Amendment (Unexplained Wealth) Act 2013*. This is a joint initiative with the Department of Police, Fire and Emergency Management and the Office.

Forfeiture of assets under the unexplained wealth laws and forwarding of those assets to the Public Account are recorded as Administered transactions.

1.1 Schedule of Administered Income and Expenses

	Notes	2023 Budget \$'000	2023 Actual \$'000	2022 Actual \$'000
Administered revenue				
Other revenue	10.2	500	369	1 253
Total administered revenue		500	369	1 253
Administered expenses				
Transfers to the Public Account		500	369	1 253
Total administered expenses		500	369	1 253
Administered Net result		-	-	-
Administered comprehensive result		-	-	-

This Schedule of Administered Income and Expenses should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 10 of the accompanying notes.

Note 2 Explanations of Material Variances between Budget and Actual Outcomes

Budget information refers to the original estimates as disclosed in the 2022-23 Budget Papers and is not subject to audit.

Variances are considered material where the variance exceeds the 10 per cent of Budget estimate and \$100,000.

2.1 Statement of Comprehensive Income

Statement of Comprehensive Income variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$100,000.

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Grants	(a)	-	220	220	>100
Employee benefits	(b)	11 506	10 712	(794)	(7)
Supplies and consumables	(c)	1 500	2 240	740	49

Notes to Statement of Comprehensive Income variances

- (a) This increase is due to the Office receiving grant funding from the Department of Justice for the provision of Witness Assistance Services which was not budgeted for.
- (b) This variance reflects staffing vacancies that were unable to be filled during the year.
- (c) This increase primarily reflects an increase in property costs associated with accommodating the additional staff funded in the 2020-21 State Budget to support the Office to reduce the backlog of cases in the Supreme Court and in the 2021-22 State Budget, in addition to increased costs associated with staff travelling around the State to attend court.

2.2 Statement of Financial Position

Budget estimates for the 2022-23 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2021-22. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2022-23. The following variance analysis therefore includes major movements between the 30 June 2022 and 30 June 2023 actual balances.

Statement of Financial Position variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$100,000.

	Note	Budget \$'000	2023 Actual \$'000	2022 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash and deposits	(a)	1 968	3 100	2 335	1 132	765
Leasehold improvements, plant and equipment	(b)	0	597	555	597	42
Employee benefits	(c)	2 448	3 203	2 434	755	769

Notes to Statement of Financial Position variances

- (a) This increase is primarily due to the actual cash balance as at 30 June 2022 being higher than estimated in the 2022-23 Budget, in addition to lower utilisation of retained revenues to fund salaries than was anticipated due to staff vacancies throughout the year.
- (b) This increase is due to minor works undertaken on the Office's premises at 15 Murray Street Hobart during 2021-22, not factored into the 2022-23 State Budget as noted above.
- (c) This variance reflects increases in staff leave balances, salary rate increases and the appointment of staff from other government agencies with significant leave balances.

2.3 Statement of Cash Flows

Statement of Cash Flows variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$100,000.

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
GST receipts	(a)	4	188	184	>100
Employee benefits	(b)	11 466	9 873	(1 593)	(14)
GST payments	(a)	4	229	225	>100
Supplies and consumables	(c)(d)	1 500	2 206	706	47
Other cash payments	(d)	467	364	(103)	(22)

Notes to Statement of Cash Flows variances

- (a) The budget does not include GST receipts and payments.
- (b) This variance reflects staffing vacancies that were unable to be filled during the year.
- (c) This increase primarily reflects an increase in property costs associated with accommodating the additional staff funded in the 2020-21 State Budget to support the Office to reduce the backlog of cases in the Supreme Court and in the 2021-22 State Budget, in addition to increased costs associated with staff travelling around the State to attend court.
- (d) This variance is due to a misalignment between the budgets for Supplies and consumables and Other expenses.

Note 3 Revenue

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15.

3.1 Revenue from Government

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the Office gains control of the appropriated funds as they do not contain enforceable and sufficiently obligations as defined by AASB 15. Except for any amounts identified as carried forward, control arises in the period of appropriation.

Revenue from Government includes revenue from appropriations, unexpended appropriations rolled over under section 23 of the *Financial Management Act 2016* and Items Reserved by Law.

Section 23 of the *Financial Management Act* allows for an unexpended appropriation at the end of the financial year, as determined by the Treasurer, to be issued and applied from the Public Account in the following financial year. The amount determined by the Treasurer must not exceed five per cent of an Agency's appropriation for the financial year.

The Budget information is based on original estimates and has not been subject to audit.

	2023 Actual \$'000	2022 Actual \$'000
<i>Continuing operations</i>		
Appropriation revenue - recurrent		
Current year	11 652	10 060
R009 Salary, superannuation, allowances and other on-costs relating to the provision of the DPP (<i>Director of Public Prosecutions Act 1973</i>)	544	579
Total revenue from Government	12 196	10 639

3.2 Grants

Grants revenue, where there is a sufficiently specific performance obligation attached, are recognised when the Office satisfies the performance obligation and transfers the promised goods or services. The Office typically receives grant revenue as reimbursement of previous expenditure, or on-forwards the grant revenue to other organisations under Australian Government funding and as a result satisfies its performance obligations when it gains the control of the underlying assets. The Office recognises revenue associated with performance obligations when the grant is receivable.

Revenue from grants to acquire/construct recognisable non-financial assets to be controlled by the Office are recognised when the Office satisfies its obligations under the transfer. The Office typically satisfies the performance obligations under the transfer to construct assets over time as the non-financial assets are being constructed. The percentage of cost incurred is used to recognise income, because this most closely reflects the progress to completion.

Grants revenue without a sufficiently specific performance obligation are recognised when the Office gains control of the asset (typically Cash).

	2023 \$'000	2022 \$'000
Grants without sufficiently specific performance obligations		
Witness Assistance Services	220	220
Total	220	220
Continuing operations		
Grants from State Government	220	220
Total	220	220
Total revenue from grants	220	220

The Office received grant funding from the Department of Justice for the provision of Witness Assistance Services for the 2022 and 2023 calendar years.

3.3 Sale of Services

Revenue from Sales of goods are recognised when the Office satisfies a performance obligation by transferring the goods to the customer. The Office typically satisfies its performance obligations when the goods are provided.

Revenue from the provision of services is recognised when the Office satisfies its performance obligation by transferring the promised services. The Office typically satisfies its performance obligations through the delivery of the agreed services over the agreed timeframe or in proportion to the stage of completion of the transaction at the reporting date. The Office satisfies its performance obligations over the period the obligation is predicted to be consumed.

	2023 \$'000	2022 \$'000
Sale of Services	461	545
Service Level Agreement revenue	416	-
Total	877	545

3.4 Contributions received

Contributions of assets at no cost of acquisition are recognised at their fair value when the Office obtains control of the asset, it is probable that future economic benefits comprising the contribution will flow to the Office and the amount can be measured reliably.

	2023 \$'000	2022 \$'000
Fair value of asset assumed at no cost or for nominal consideration	30	28
Total	30	28

The Office received a lease incentive in 2022-23 to enter into a lease at Level 2 of the Harris Building at 49-51 Cattley Street in Burnie. In 2021-22 the Office received an equity contribution from the Department of Justice for one-off minor fit out works at 15 Murray Street Office.

Note 4 Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

4.1 Employee Benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

(a) Employee Benefits

	2023 \$'000	2022 \$'000
Wages and salaries	9 359	7 914
Superannuation – defined contribution scheme	1 119	764
Superannuation – defined benefit scheme	171	170
Other employee expense	63	57
Total	10 712	8 905

Superannuation expenses relating to defined benefits schemes relate to payments into the Public Account. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 13.95 per cent (2021-22: 13.45 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to the relevant superannuation fund at a rate of 10.5 per cent (2021-22: 10.0 per cent) of salary. In addition, the Office is also required to pay into the Public Account a “gap” payment equivalent to 3.45 per cent (2021-22: 3.45 per cent) of salary in respect of employees who are members of the contribution schemes.

(b) Remuneration of Key management personnel

2023	Short-term benefits Salary \$'000	Other Benefits \$'000	Long-term benefits Super annuation \$'000	Other Benefits and Long- Service Leave \$'000	Termination Benefits \$'000	Total \$'000
Key management personnel						
Daryl Coates, Director of Public Prosecutions	472	17	61	47	-	597
Linda Mason, Deputy Director of Public Prosecutions	321	19	41	14	-	395
Chelsea Trubody-Jager, Director Crown Law (commenced 18 July 2022)	136	10	14	13	-	173
Total	929	46	116	74	-	1 165

2022	Short-term benefits		Long-term benefits		Termination Benefits	Total \$'000
	Salary	Other Benefits	Super annuation	Other Benefits and Long-Service Leave		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Key management personnel						
Daryl Coates, Director of Public Prosecutions	466	23	60	(35)	-	514
Linda Mason, Deputy Director of Public Prosecutions	332	23	48	13	-	416
Michael Varney, Director of Crown Law (retired 1 December 2021)	64	13	9	(54)	-	32
Acting key management personnel						
John Withers, Acting Director of Crown Law (from 9 August 2021)	103	2	14	20	-	139
Total	965	61	124	(55)	-	1 101

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the agency, directly or indirectly.

Remuneration during 2022-23 for key personnel is set by the *State Service Act 2000*, except for the Director of Public Prosecutions, whose is set by the *Director of Public Prosecutions Act 1973*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, allowances, motor vehicle and other non-monetary benefits.

Long-term employee expenses include long service leave and superannuation obligations and termination payments. Short-term benefits include motor vehicle and car parking fringe benefits in addition to any other short term benefits. Fringe benefits have been reported at the grossed up reportable fringe benefits amount. The Fringe Benefits Tax (FBT) year runs from 1 April to 31 March each year, any FBT attributable to key management personnel is reported on that basis.

It should be noted that because annual and long service leave liabilities are calculated by discounting future cashflows (detailed in Note 6.3) which may change from year to year, it is possible for key personnel to accrue negative leave benefits in any particular financial year, or they may utilise more leave than they accrue in any particular financial year.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence. Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

(c) Related Party Transactions

There are no related party transactions requiring disclosure.

4.2 Depreciation

All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease,

whichever is the shorter. The unexpired period of a lease includes any option where exercise of the option is reasonably certain.

Key estimate and judgement

Depreciation is provided for on a straight line basis, using rates lives which are reviewed annually.

Depreciation rates for Leasehold Improvements are based on the lease terms over which those improvements will be utilised by the Office.

	Major depreciation period	2023 \$'000	2022 \$'000
Leasehold improvements	10 – 15 years	47	64
Equipment	5 years	4	-
Total Leasehold improvements and equipment depreciation		52	64
Right-of-use asset		2	30
Total depreciation		54	94

4.3 Supplies and Consumables

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

	2023 \$'000	2022 \$'000
Audit fees – financial audit	13	13
Rent of premises	662	572
Motor vehicle and equipment leases	20	27
Plant and equipment	20	17
Property services	318	375
Communications	90	85
Information technology	384	310
Travel and transport	396	222
Other supplies and consumables	337	281
Total	2 238	1 902

Audit fees paid or payable to the Tasmanian Audit Office for the audit of the Office's financial statements were \$13,300 (\$12,920 for 2021-22).

Lease expense includes lease rentals for short-term leases, lease of low value assets and variable lease payments. Refer to note 6.2 for breakdown of lease expenses and other lease disclosures.

4.4 Finance costs

All finance costs are expensed as incurred using the effective interest method.

Finance costs include lease charges.

	2023 \$'000	2022 \$'000
Interest on lease liabilities	-	1
Total finance costs	-	1

4.5 Other Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably.

	2023 \$'000	2022 \$'000
Salary on-costs	79	49
Other expenses	291	79
Total	370	128

Note 5 Assets

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the Office and the asset has a cost or value that can be measured reliably.

5.1 Receivables

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method.

Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. The Office recognises an allowance for expected credit losses for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted at the original effective interest rate.

For trade receivables, the Office applies a simplified approach in calculating expected credit losses. The Office recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Office has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2023 \$'000	2022 \$'000
Receivables from sales of goods and services	5	99
Tax Asset Receivables/(Payable)	18	(22)
Less: Provision for impairment	(2)	(74)
Total	21	3
Settled within 12 months	21	3
Total	21	3

	2023 \$'000	2022 \$'000
Reconciliation of movement in expected credit loss for receivables		
Carrying amount at 1 July under AASB 9	74	1
Increase/(decrease) in provision recognised in profit or loss	(72)	73
Carrying amount at 30 June	2	74

For ageing analysis of the financial assets, refer to Note 9.1.

5.2 Leasehold Improvements, Plant and Equipment

(i) Valuation basis

All Non-current physical assets, including any work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to

a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of leasehold improvements, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or build occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data

(ii) Subsequent costs

The cost of replacing part of an item of leasehold improvements, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Office and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of leasehold improvements, plant and equipment are recognised in profit or loss as incurred.

(iii) Asset recognition threshold

The asset capitalisation threshold adopted by the Office is:

Leasehold Improvements	\$10,000
Equipment	\$10,000

Assets recorded at less than \$10,000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

	2023 \$'000	2022 \$'000
Leasehold Improvements		
At cost	994	1 076
Less: Accumulated depreciation	(456)	(521)
Total Leasehold Improvements	538	555
Equipment		
At cost	88	100
Less: Accumulated depreciation	(29)	(100)
Total Equipment	59	-
Total Leasehold Improvements, Plant and Equipment	597	555

[\(a\) Reconciliation of movements](#)

2023	Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Carrying amount at 1 July	-	555	555
Additions	63	30	93
Depreciation expense	(4)	(47)	(52)
Carrying amount at 30 June	59	538	597

2022	Equipment \$'000	Leasehold Improvements \$'000	Total \$'000
Carrying amount at 1 July	-	416	416
Additions	-	202	202
Depreciation expense	-	(64)	(64)
Carrying amount at 30 June	-	555	555

5.3 Right-of-use Assets

AASB 16 requires the Office to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. Right-of-use assets includes assets in respect of leases previously treated as operating leases under AASB 117, and therefore not recognised on the Statement of Financial Position.

The Office has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which Finance-General has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

Right-of-use assets are depreciated over the shorter of the assets useful life and the term of the lease. Where the Office obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the Office will exercise a purchase option, the Office depreciates the right-of-use asset over its useful life. At 30 June 2023, the Office did not have any right-of-use assets.

2023	Buildings \$'000	Total \$'000
Carrying value at 1 July	2	2
Depreciation and amortisation	(2)	(2)
Carrying value at 30 June	-	-

2022	Buildings \$'000	Total \$'000
Carrying value at 1 July	50	50
Increase (decrease) - reassess lease liability of CPI and lease term	(18)	(18)

Depreciation and amortisation
Carrying value at 30 June

(30)	(30)
<u>2</u>	<u>2</u>

Note 6 Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

6.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Office becomes obliged to make future payments as a result of a purchase of assets or services.

	2023 \$'000	2022 \$'000
Creditors	(4)	4
Accrued expenses	76	32
Total	72	36
Settled within 12 months	72	36
Total	72	36

Settlement is usually made within 30 days.

6.2 Lease Liabilities

A lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

The Office has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which Finance-General has substantive substitution rights over the assets and leases for which the underlying asset is of low-value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low-value when it is expected to cost less than \$10 000.

As at 30 June 2023, the Office does not have any lease liabilities.

	2023 \$'000	2022 \$'000
Current		
Lease liabilities	-	3
Non-current		
Lease liabilities	-	-
Total	-	3

Maturity analysis of lease liabilities

	2023 \$'000	2022 \$'000
One year or less	-	3
Total	-	3

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

The following amounts are recognised in the Statement of Comprehensive Income

	2023 \$'000	2022 \$'000
Current		
Interest on lease liabilities in note 4.5	-	1
Lease expenses included in note 4.4:		
Short term and/or low-value leases	682	598
Net expenses from leasing activities	682	599

6.3 Employee Benefits

Liabilities for wages and salaries and annual leave are recognised when an employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid.

Other employee entitlements are measured as the present value of the benefit at 30 June, where the impact of discounting is material, and at the amount expected to be paid if discounting is not material.

The Office assumes that all staff annual leave balances less than 20 days will be settled within 12 months, and therefore valued at nominal value, and balances in excess of 20 days will be settled in greater than 12 months and therefore calculated at present value.

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. The Office makes a number of assumptions regarding the probability that staff who have accrued long service leave, but are ineligible to take it will remain with the Office long enough to take it. For those staff eligible to take their long service leave, the Office assumes that they will utilise it on average, evenly over the following ten years. All long service leave that will be settled within 12 months is calculated at nominal value and all long service leave that will be settled in greater than 12 months is calculated at present value.

	2023 \$'000	2022 \$'000
Accrued salaries	301	223
Annual leave	1 170	818
Long service leave	1 732	1 393
Total	3 203	2 434
Settled within 12 months	1 180	803
Settled in more than 12 months	2 023	1 631
Total	3 203	2 434

6.4 Superannuation

(i) Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

(ii) Defined benefit plans

A defined benefit plan is a post employment benefit plan other than a defined contribution plan.

The Office does not recognise a liability for the accruing superannuation benefits of Office employees. This liability is held centrally and is recognised within the Finance General Division of the Department of Treasury and Finance.

Note 7 Commitments and Contingencies

7.1 Schedule of Commitments

Commitments represent those contractual arrangements entered by the Office that are not reflected in the Statement of Financial Position.

Leases are recognised as right of use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

	2023 \$'000	2022 \$'000
By type		
<i>Lease Commitments</i>		
Short term and low value	285	185
Office accommodation leases controlled by Department of Treasury and Finance	500	1 603
Total lease commitments	785	1 788
By maturity		
<i>Operating lease commitments</i>		
One year or less	201	625
From one to five years	584	1 163
Total operating lease commitments	785	1 788
Total	785	1 788

The Leases commitments have been separated out as per below. All amounts shown are inclusive of GST where applicable.

Short terms and/or low value leases

This includes the Office's motor vehicle fleet which is owned and managed by Treasury. The Office pays a monthly payment to Treasury via the Government's fleet manager for use of the vehicles.

As there is no lease contract between Treasury and the Department, for the purposes of AASB 16 Leases, the Office is not required to recognise a lease liability and right-of-use asset for motor vehicles, and costs are recognised as an expense as incurred.

The Office recognises a commitment for the terms of motor vehicle agreements.

The Office's information technology hardware leases valued at less than \$10,000 are also included here.

Office accommodation leases controlled by Department of Treasury and Finance

Major office accommodation leases are executed by the Department of Treasury and Finance (Treasury).

As there is no lease contract between Treasury and the Department, for the purposes of AASB 16 Leases, the Office is not required to recognise a lease liability and right-of-use asset for major office accommodation. The Office will recognise the outgoings associated with the occupation of these major office accommodation spaces as expenses.

The Office recognises a commitment for the term of occupancy in the major office accommodation spaces.

Property lease payments are determined by the price per square metre of the leased area as agreed in the lease documents.

7.2 Contingent Assets and Liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

Quantifiable contingencies

A quantifiable contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A quantifiable contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

At 30 June 2023 the Office had no contingent assets or liabilities.

Note 8 Cash Flow Reconciliation

Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund, being short term of three months or less and highly liquid. Deposits are recognised at amortised cost, being their face value.

8.1 Cash and Deposits

Cash and cash equivalents includes the balance of the Specific Purpose Accounts held by the Office, and other cash held, excluding those accounts which are administered or held in a trustee capacity or agency arrangement.

	2023 \$'000	2022 \$'000
Special Deposits and Trust Fund balance		
T529 Office of the Director of Public Prosecutions Operating Account	3 100	2 335
Total cash and cash equivalents	3 100	2 335

8.2 Reconciliation of Net Result to Net Cash from Operating Activities

	2023 \$'000	2022 \$'000
Net result from continuing operations	21	329
Net gain/(loss) on accounts receivable	(73)	73
Contribution received free of charge	(30)	(28)
Depreciation	54	94
Decrease (increase) in Receivables	55	26
Increase (decrease) in Employee entitlements	769	66
Increase (decrease) in Payables	36	12
Net cash from (used by) operating activities	832	572

8.3 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financial activities. As at 30 June 2023, the Office does not have any liabilities arising from financing activities.

2023	Lease Liabilities \$'000
Balance as at 1 July 2022	3
Increase (decrease) due to reassess lease liability of CPI and lease term	
Changes from financing cash flows:	
Cash Repayments	(3)
Balance as at 30 June 2023	-
2022	Lease Liabilities \$'000
Balance as at 1 July 2021	51
Increase (decrease) due to reassess lease liability of CPI and lease term	(17)
Changes from financing cash flows:	
Cash Repayments	(31)
Balance as at 30 June 2022	3

Note 9 Financial Instruments

9.1 Risk Exposures

(a) Risk management policies

The Office has exposure to the following risks from its use of financial instruments:

- credit risk; and
- liquidity risk.

The Head of Agency has overall responsibility for the establishment and oversight of the Office's risk management framework. Risk management policies are established to identify and analyse risks faced by the Office, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(b) Credit risk exposures

Credit risk is the risk of financial loss to the Office if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Assets		
Receivables	Receivables are recognised at amortised cost, less any expected credit losses, however, due to the short settlement period, receivables are not discounted back to their present value.	It is Office policy to issue invoices with 30 day terms of trade.
Cash and deposits	Deposits are recognised at amortised cost, being their face value.	Cash means notes, coins, any deposits held at call with a bank or financial institution, as well as funds held in the Special Deposits and Trust Fund.

Except as detailed in the following table, the carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the Office's maximum exposure to credit risk without taking into account of any collateral or other security:

	2023 \$'000	2022 \$'000
Receivables	21	3
Total	21	3

Expected credit loss analysis of receivables

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowance for trade debtors as at 30 June are as follows.

Expected credit loss analysis of receivables as at 30 June 2023

	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	-	-	-	100%	37%

Total gross carrying amount (B)	-	-	-	5	5
Expected credit loss (A x B)	-	-	-	5	5

Expected credit loss analysis of receivables as at 30 June 2022

	Not past due	Past due 1-30 days	Past due 31-60 days	Past due 61-90 days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Expected credit loss rate (A)	0%	0%	0%	100%	74%
Total gross carrying amount (B)	-	25	-	74	99
Expected credit loss (A x B)	-	-	-	74	74

(c) Liquidity risk

Liquidity risk is the risk that the Office will not be able to meet its financial obligations as they fall due. The Office's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

Financial Instrument	Accounting and strategic policies (including recognition criteria and measurement basis)	Nature of underlying instrument (including significant terms and conditions affecting the amount. Timing and certainty of cash flows)
Financial Liabilities		
Payables	Payables are recognised at amortised cost, which due to the short settlement period, equates to face value, when the Office becomes obliged to make future payments as a result of a purchase of assets or services.	Payables, including goods received and services incurred but not yet invoiced arise when the Office becomes obliged to make future payments as a result of a purchase of assets or services. The Office's terms of trade are 14 days unless agreed otherwise.
Lease liabilities	Lease liabilities are measured at the present value of the lease payments that are not paid at that date	The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by the Office by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2023 Maturity analysis for financial liabilities					
	1 Year	2 Years	3 Years	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities					
Payables	72	-	-	72	72
Total	72	-	-	72	72

2022 Maturity analysis for financial liabilities					
	1 Year	2 Years	3 Years	Undiscounted Total	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial liabilities					
Payables	36	-	-	36	36
Total	36	-	-	36	36

9.2 Categories of Financial Assets and Liabilities

AASB 9 Carrying amount	2023 \$'000	2022 \$'000
Financial assets		
Cash and cash equivalents	3 100	2 335
Receivables at Amortised cost	21	3
Total	3 121	2 338
Financial Liabilities		
Financial liabilities measured at amortised cost	72	39
Total	72	39

9.3 Comparison between Carrying Amount and Net Fair Values of Financial Assets and Liabilities

	Carrying Amount 2023 \$'000	Net Fair Value 2023 \$'000	Carrying Amount 2022 \$'000	Net Fair Value 2022 \$'000
Financial assets				
Cash in Special Deposits and Trust Fund	3 100	3 100	2 335	2 335
Receivables	21	21	3	3
Total financial assets	3 121	3 121	2 338	2 338
Financial liabilities				
Trade creditors	72	72	36	36
Lease liabilities	-	-	3	3
Total financial liabilities	72	72	39	39

Financial Assets

The net fair values of cash and non-interest bearing monetary financial assets approximate their carrying amounts.

The net fair value of receivables are recognised at amortised cost, less any impairment losses, however, due to the short settlement period, receivables are not discounted back to their present value.

Financial Liabilities

The net fair values of payables approximate their carrying amounts as this is the amount the Office expects to be able to settle on these items.

9.4 Net Fair Values of Financial Assets and Liabilities

2023	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash in Special Deposits and Trust Fund	3 100	-	-	3 100
Receivables	21	-	-	21
Total financial assets	3 121	-	-	3 121
Financial liabilities				
Trade Creditors	72	-	-	72
Total financial liabilities	72	-	-	72

2022	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial assets				
Cash in Special Deposits and Trust Fund	2 335	-	-	2 335
Receivables	3	-	-	3
Total financial assets	2 338	-	-	2 338
Financial liabilities				
Trade Creditors	36	-	-	36
Lease liabilities	3	-	-	3
Total financial liabilities	39	-	-	39

The recognised fair values of financial assets and financial liabilities are classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements. The Office uses various methods in estimating the fair value of a financial instrument. The methods comprise:

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

Note 10 Notes to Administered Statements

Variances are considered material where the variance exceeds the 10 per cent of Budget estimate and \$100,000.

10.1 Explanation of Material Variances between Budget and Actual Outcomes

(a) Statement of Comprehensive Income

Statement of Comprehensive Income variances are considered material where the variance exceeds the greater of 10 per cent of Budget estimate and \$100,000.

	Note	Budget \$'000	Actual \$'000	Variance \$'000	Variance %
Other revenue	(a)	500	369	(131)	(26)
Transfers to the Public Account	(a)	500	369	(131)	(26)

Notes to Statement of Comprehensive Income variances

- (a) The Office collected fewer receipts under the *Crime (Confiscation of Profits) Act 1993* and *Crime (Confiscation of Profits) Amendment (Unexplained Wealth) Act 2013* than budgeted. The investigation and prosecution of cases under these acts is often a lengthy process and it is difficult to accurately forecast revenue.

10.2 Other revenue

The revenue is recognised when the Office receives the assets.

	2023 \$'000	2022 \$'000
Forfeiture of assets under unexplained wealth laws	369	1 253
Total	369	1 253

Note 11 Transactions and Balances Relating to a Trustee of Agency Arrangement

Transactions relating to activities undertaken by the Office in a trust or fiduciary capacity do not form part of the Office's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered.

Fees, commissions earned and expenses incurred in the course of rendering services as a trustee or through an agency arrangement are recognised as controlled transactions.

Account/Activity	Opening balance	Net transactions during 2022-23	Closing balance
	\$'000	\$'000	\$'000
T452 Director of Public Prosecutions Trust Account	33	-	33
T764 Crime (Confiscation of Profits) Account	2 806	222	3 028

Note 12 Events Occurring After Balance Date

There have been no events subsequent to balance date which would have a material effect on the Office's Financial Statements as at 30 June 2023.

Note 13 Significant Accounting Policies

13.1 Objectives and Funding

The Office of the Director of Public Prosecutions (the Office) provides criminal and civil law services to the State of Tasmania. The *Director of Public Prosecutions Act 1973* details the role and functions of the Director of Public Prosecutions. Specifically, the DPP undertakes:

- the conduct of all criminal prosecutions on indictment in the Supreme Court and in Magistrates Courts where required;
- the representation of government agencies in the prosecution of regulatory offences;
- the representation of government agencies in appeals from Magistrates Courts to the Supreme Court, and in Tribunal or Board hearings involving government agencies;
- the conduct of all civil litigation on behalf of the State and its government agencies;
- the conduct of all child protection proceedings under the *Children, Young Persons and Their Families Act 1997* on behalf of the Secretary of the Department of Health and Human Services; and
- representation of the Crown in appeals to the Full Court, Court of Criminal Appeal and the High Court.

The Office activities are classified as either controlled or administered.

Controlled activities involve the use of assets, liabilities, revenues and expenses controlled or incurred by the Office in its own right. Administered activities involve the management or oversight by the Office on behalf of the Government.

The Office is a Tasmanian Government not-for-profit entity that is predominantly funded through Parliamentary appropriations. The financial statements encompasses all funds through which the Office controls resources to carry on its functions.

13.2 Basis of Accounting

The Financial Statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards (AAS) and Interpretations issued by the Australian Accounting Standards Board (AASB); and
- The Treasurer's Instructions issued under the provisions of the *Financial Management Act 2016*.

The Financial Statements were signed by the Director of Public Prosecutions on 26 September 2023.

Compliance with the AAS may not result in compliance with International Financial Reporting Standards, as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. The Office is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year except for those changes outlined in Note 13.5.

The Financial Statements have been prepared on the basis that the Office is a going concern. The continued existence of the Office in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the Office's administration and activities. It is also noted that, because the Office is not funded for depreciation or to meet employee annual or long service leave not taken in the normal course of events, support will be needed to fund asset replacements and leave entitlements as outlined.

The Office has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

13.3 Reporting Entity

The Financial Statements include all the controlled activities of the Office.

13.4 Functional and Presentation Currency

These Financial Statements are presented in Australian dollars, which is the Office's functional currency.

13.5 Changes in Accounting Policies

(a) Impact of new and revised Accounting Standards

There were no new or revised Standards and Interpretations issued by the Australian Accounting Standards Board that have a material impact on the reporting of the Office's operations for the current annual reporting period.

(b) Impact of new and revised Accounting Standards yet to be applied

The Office has not applied a new Australian Accounting Standard or Interpretation that has been issued but is not yet effective. The following applicable Standards have been issued by the AASB and are yet to be applied:

- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* – This Standard amends:
 - *AASB 7 Financial Instruments*: Disclosures to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
 - *AASB 101 Presentation of Financial Statements*, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
 - *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
 - *AASB 134 Interim Financial Reporting*, to identify material accounting policy information as a component of a complete set of financial statements; and
 - *AASB Practice Statement 2 Making Materiality Judgements*, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.
- *AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* - This Standard amends *AASB 101 Presentation of Financial Statements* to clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified in these amendments. This standard will apply to the Office's 2023-24 financial

statements. The implementation of AASB 2020-6 is not expected to have a material impact on the statements of the Office.

- **AASB 17 *Insurance Contracts*** – This standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that contracts within the scope of AASB 17 have on the financial position, financial performance and cash flows of the entity. The date for application of this Standard is not yet known for public sector entities. The implementation of AASB 17 is not expected to have a material impact on the statements of the Office.

The Office has undertaken an assessment of the impact of new and revised Accounting Standards and those yet to be applied and has determined they will have no material impact on the Office's financial statements.

13.6 Administered Transactions and Balances

The Office administers, but does not control, certain resources on behalf of the Government as a whole. It is accountable for the transactions involving such administered resources, but does not have the discretion to deploy resources for the achievement of the Office's objectives.

Administered assets, liabilities, expenses and revenues are disclosed in Note 1 to the Financial Statements. The policies set out in Note 3 onwards apply equally to administered transactions.

13.7 Activities Undertaken Under a Trustee or Agency Relationship

Transactions relating to activities undertaken by the Office in a trust or fiduciary (agency) capacity do not form part of the Office's activities. Trustee and agency arrangements, and transactions/balances relating to those activities, are neither controlled nor administered. Details of transactions and balances relating to a trustee or agency arrangement are provided in Note 11.

13.8 Comparative Figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Details of the impact of changes in accounting policy on comparative figures are at Note 13.5.

Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

The comparatives for external administrative restructures are not reflected in the Financial Statements.

13.9 Budget Information

Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and is not subject to audit.

13.10 Rounding

All amounts in the Financial Statements have been rounded to the nearest thousand dollars, unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statement will contain a note expressing the amount to the nearest whole dollar.

13.11 Office Taxation

The Office is exempt from all forms of taxation except Fringe Benefits Tax and is not registered for the Goods and Services Tax. All taxation issues are managed by the Department of Justice on the Office's behalf.

13.12 Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the ATO is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

Independent Auditor's Report To the Members of Parliament Office of the Director of Public Prosecutions Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Office of the Director of Public Prosecutions (the Office), which comprises the statement of financial position as at 30 June 2023 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification signed by the Director of Public Prosecutions (the Director)

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the Office's financial position as at 30 June 2023 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Financial Management Act 2016* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Office in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-

General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of

conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor General's opinion are significant.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Office's financial statements.

Responsibilities of the Director for the Financial Statements

The Director is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director is responsible for assessing the Office's ability to continue as a going concern unless the Office's operations will cease as a result of an administrative restructure. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting. **Auditor's Responsibilities for the Audit of the**

Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for

the purpose of expressing an opinion on the effectiveness of the Office's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director.
- Conclude on the appropriateness of the Director use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the

related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Rod Whitehead
Auditor-General
Tasmanian Audit Office

18 September 2023
Hobart